

Press Conference OK Hockey

June 23, 2008

Introduction: Rick Peckham

We welcome the new ownership group of the Lightning, one that features a number of dynamic leaders from a variety of industries including heavy hitters from Hollywood and real estate development, financial expertise, marketing, medicine and retail. One that includes a rare component – considerable expertise in hockey from the playing ranks and, as well, an element that always rings important with sports fans, local ties. Unfortunately a number of the new partners could not be with us today, but we'll begin by recognizing them. Hollywood producer and partner of Lightning managing partner Oren Koules' Evolution Entertainment, Mark Burg; attorney and investment banker Russell Belinsky; advertising executive Jordan Zimmerman; orthopedic surgeon Dr. Richard C. Lehman; furniture retailer and chief executive officer of Kane's Furniture Irwin Novack; and Craig Sher, Executive Chairman of the St. Petersburg-based The Sembler Company. And the gentlemen who are with us today, who are anxious to take your questions, it's been many months since this sale has gotten underway and now we're reaching the point where they've taken over the team. They're very anxious to get right to the questions from the media first and they're very happy to meet informally with the Lightning fans, great to see all of you, thanks for coming out today, and they'll meet with the fans after the press conference portion of our event today.

Oren Koules is the co-founder of the production companies Twisted Pictures and Evolution Entertainment, which has produced a number of huge hits, including the powerhouse horror franchise *SAW*, and the Emmy Award-nominated CBS series, *Two and a Half Men*, the top-rated sitcom on television. He's a native of Chicago, he's played hockey since his youth, played Major Junior A hockey in the Western Hockey League, and also professionally.

And also joining us today, Len Barrie, who is now the CEO and president of Bear Mountain Resort in Victoria, British Columbia, which has sold over \$500 million in real estate sales and, of course, a 14-year veteran playing professional hockey, many of those seasons in the National Hockey League. So we would like to open the forum up to questions from the media for these two gentlemen.

Question: Is there a sense of relief now that it's finally here and finally done?

Oren Koules: I don't know if it's relief, it's anxious to get going, it's anxious to get it started, to take something that we think is in great shape and hopefully improve on it.

Question: What happened that you feel comfortable enough to come out and address the media?

OK: I think with the unanimous approval by the NHL Board of Governors, that was the final hurdle for us. So once that took place, we were ready to go, and using the draft kind of as Len and myself's kind of coming out.

Question: What kind of message do you want to send?

Len Barrie: I think it's, first of all, it's really exciting to be here. It's always been a dream to win a Stanley Cup as a player and I wasn't able to do that, so now I'm coming in to be a part of what I think is a fantastic ownership group. You've got a fantastic city with a fantastic hockey base that's been built here since the Stanley Cup run and it was a lot of

bad luck last year, to be in 30th place, but a lot of good luck for us, with this Stamkos kid coming in. So we're really excited, but we think we can have a quick turnaround here and our message is that we've got one goal, and that's going to be to win. That's why our group's involved.

Question: Palace Sports has been the owners since 1999, and said they lost money, almost \$80 million. What do you see here that gives you the impression that this can be profitable?

LB: For me, it's unique, being a player and going through two, the lockout, I think, in '94 - '95, the structure that's been put in place now, a lot of that money was lost previously, before the revenue sharing, salary cap system in place, so I think both I and Oren wouldn't be sitting here in the old system, I just don't think that it really would've worked. The new system now, you have revenue sharing, you have responsibilities as owners to stay under a number and you can work with a budget and you want to make it family entertainment where still everyone can afford to come to a game and have a good time.

I was really impressed, the last two games of the year, the team was in last place and there was over 20,000 people on a Saturday night. So the hockey base is here, we're going to have an exciting team and you put an exciting team that competes hard and wins and entertains, you'll fill the building and that'll look after all those kinds of things.

Question: Oren, describe what it's been like the past year, from the first day you were here, the process, the disappointment, the highs and lows and to this day, how you feel now.

LB: OK I'm going to go get a nap, because that's going to take a while!

OK: The only regret I have is that I didn't keep a journal. Seriously, I wish I'd kept a journal. I'm just really excited to be here, and I'm not trying to fluff it up, but I really am, and it's all worked out. It was a lot of work, it was a lot of perseverance, and it's worked out for the best, for so many ways.

Question: Was there ever a moment where you said it wasn't worth it?

OK: *(laughing)* Once or twice.

LB: Yeah, we'd phone each other a couple times.

OK: Once or twice. It was...it's been tough, it really has. And I mean, you couldn't predict the things that have happened. I mean, from French banks, the lead bank of the NHL, which I think has six teams in their portfolio, to them all of a sudden one day saying, 'Well, we lost \$7 billion, we're closing up shop,' it's like, you can't...there's certain hurdles you can't predict.

LB: I phoned him before that and said, 'Did you just see that our bank lost that money by that young kid?' He goes, 'Oh no, we're fine.'

OK: Well they called us and said they were fine.

LB: Two days later, they're done. So I'll tell you one thing, I came in to this deal about halfway though it when I met Oren and he has really persevered and worked hard, and when we met with Mr. Bettman just before the draft, it was a real ... one of the things I've got to know him [Oren] over the last five months is that he doesn't quit. He works and works and works, and I think that's what you're going to see in this organization. You know, failure isn't an option here. Success is what's going to happen and this is how this deal has come together. Just being at the draft and seeing a lot of old faces that I know and he knew and everyone was just, 'Congratulations' and 'Wow,' and that's how we are, but it's taken a lot of hard work to get here and that's what's really impressed me about Oren and the rest of the guys that we have here in this group that you'll meet soon

enough. It's a pretty dynamic group that has a lot of different angles that I think can really be an asset to this franchise moving forward.

Question: There are a couple of local guys, how'd they get involved?

OK: A man in Canada named Bill Comrie, who's actually Mike Comrie's father. Bill Comrie's known to a lot of people in the hockey world and he's very good friends with Irwin Novack, who's a sponsor of the team and, you know, we feel so blessed to have four local owners who are all from different fields and different work and different philosophies and we feel really blessed to have them. It wasn't really about their capital contribution, it was about their work contribution. I mean, I literally got a manifesto from one of them last night, everything we're going to be doing this week and all the plans and one of the guys, Jordan Zimmerman, is in the advertising business, and he's already been coming up with different slogans and different sayings and Craig Sher has been, kind of, a very voice of reason for me when I'm ... ups and downs, I would call him, so we feel really blessed, we really do. And Russ Belinsky has dealt with all of the banking, which is a job I wouldn't have put on anybody, and he's been great. My partner, Mark Burg, will be here and help a lot with the marketing and he's unbelievably excited to do it.

We're excited, we have a group, we have an ownership group that all have won in their respective jobs and their respective lives and we want to take that and push forward on that here.

Question: You mentioned something about slogans...whose idea was Seen Stamkos?

OK: That, you know what? Absolutely it was done by the Lightning here and the marketing department here. I would love to take credit for it, it's great, we have absolutely nothing to do with it other than the benefits of a great campaign by the Lightning here.

LB: That's one of the things that's impressed myself the most, and Oren as well, is I was down here, about a month ago with my bankers, just doing a tour and hadn't been down a whole bunch and really took the time to go through with the guys, the building, how it works and it's such an exciting building. We're not buying something that's broke. This thing just needs to be tweaked and get back on track. When you guys see this kid, Stamkos, play, behind...second line center behind Vinny Lecavalier, wow. It's going to be a pretty dynamic force and we'll make some moves here and it's been a lot of fun the last couple days because we've really finally just got in to the hockey side of it, where it's been a lot of due diligence and bankers and lawyers and those are always a lot of fun, but the hockey side, we're really getting in to it now and with July 1st coming up, it's going to be an exciting time for the franchise if we can make the moves that we want to make and really contend to win the division next year. That's going to be our goal.

Question: On the hockey side, do you think the team isn't that far away? What do you see acquiring, player-wise, to get this team back and do you have the financial wherewithal to accomplish that?

OK: First of all, I guess we can announce now, we've come to a complete agreement and Vinny Prospal will be back on the MVP line. He's back, that's done, we finished this weekend with him. He's unbelievably excited to be here. So that was done Saturday afternoon. We traded for his rights, I think it was announced here, we traded for his rights on Thursday or Friday, and finished this deal on Saturday. The reason it's not signed is he's in the Czech Republic with his family. But that's our start. When the first start was putting that line back together, when that line was broken up it was the No. 1

scoring line in the NHL, and we look at that as, we have a first line like that, we're trying to show a commitment. That was, to us, a very smart move. We got Alexandre Picard, who, at the end of the year was probably a top-four, top-three D, we have a second-round draft pick for next year's draft and it cost us a fourth and seventh, and we have him back. So, you know what? We wanted to send a message to the fans that we're putting this team back together right.

Question: Do you have a coach?

LB: Not yet, tomorrow. Maybe, we've got to go decide on that.

OK: We're going to go meet a bunch of guys today, we'll let you know.

LB: We'll have a meeting, we'll get on that. To answer the second part of your question, I think that, you know what? We're not going to be the New York Rangers or a lot of the teams in Canada that are going to go right to the cap, but we're going to be on a budget, we're here to do, find some things out, how we can drive some revenues and when we do that we're going to spending it on ways to win. I think if you can make good hockey decisions, it's not always the team that spends the most money and that's been proven over and over again in hockey. Everyone always comes up and says, 'Yeah, we want to be like the Detroit Red Wings.' Well, we're not going to say that because I know the guys in Detroit fairly well and watched it; that's been a 20-year event, to become the Detroit Red Wings. Who we want to try to be is Pittsburgh Penguins, Philadelphia Flyers, who were last-place teams who turned it around really quickly with some smart, shrewd moves, some luck at the draft, goalies stepping up and playing. Smith, who we traded for last year at the trade deadline has got to show that he's going to be a No. 1 guy and we really believe he will be. So we've got to get the kid [Stamkos] two guys to play with that he can have. You just can't put him out there with wingers, and Oren and I, we thought about making a comeback, but he's a little faster than us, but we're going to be active looking for a couple more forwards on July 1st, that's for sure. We like our young defense, I think with our coaching staff coming in, it will be a real positive effect on them of maybe a different style than John [Tortorella], who was here before, and it might be a little less pressure for that young defense and they'll go out and make some plays and will surprise some people.

OK: We're going to be very active on July 1. And we have to be very careful what we say, the League is ...

LB: We've already been in trouble twice.

OK: Yeah, we got taken to the Principal's office on Friday for an hour. So ...

LB: We're learning the rules.

OK: Yeah, don't text message.

LB: I'm going to be camped out at one guy's house ... *[laughs]*

OK: So anyway, I think we will surprise people. I mean, of the top five or six free agents, there's only one that we wouldn't be going after and that's just because he's a puck-rushing defenseman and we think we have the best at that. Outside of that, we're going to be staggeringly active. We will not let Steven Stamkos be out there by himself.

Question: Seeing the atmosphere last year, did that increase your desire to get the deal done?

OK: I tell this story, and it doesn't almost sound truthful, but coming from a traditional scene in Chicago, you go Toronto, you go to Montreal, those traditional hockey cities, the first time I got here, I walked in and it was about a quarter to six at night on a gamenight and there were so many people on the plaza and there was a band playing and there was so much going on, I honest to God thought my clock was wrong. I

thought, 'Wait, is it seven o'clock or six o'clock?' I mean it was amazing, the atmosphere. You come in here and...yes.

I also want to address something, and this is a media-driven thing. We are not moving! I hate Vegas. I'm not moving to Kansas City. I don't know how to be any clearer than that. You guys ... we're 30th in the League and 10th in the League in attendance. One of the best leases in the League, by far. We talked to Mr. Bettman about it. There's not even a dream of ...

LB: It's never come up.

OK: ... Just stop, guys stop. We will never move this team. You have amazing fans, an amazing base, so I'm begging you guys [the media] to stop doing that. That's not fair.

Question: What are your feelings of anxiousness, and your top priorities on the ice?

OK: I think, just ... coach, free agents and getting it started. We're really excited to get it started. I mean we're really – upset's the wrong word – but I mean, we'd love to open the season here. Opening in the Czech Republic's an honor that the League picked us to represent the League, but we'd love to open here. I know it'd be Game 3 for us, but we'd love to open here. So we're excited to get started.

LB: I think the big thing is, the pieces will fall in to place. This is one thing we really had to push for, these next two weeks, to really be involved in and getting everything lined up because it's a real critical time and basically after July 5th, everyone takes a couple months off of hockey, you're out at the beach or the golf course, so we're really going to be working hard here in the next two weeks to make those decisions to get those pieces in place to really compete and just adding to the last question, I came to a game last year, and I brought my wife to the game, and I went in to see Jay [Feaster], so she just went outside and was hanging out for an hour and, you know, she's a casual hockey fan at best, and I come out and she goes, 'This is great!' She's got a couple drinks, drinking with the band, and she had a lot fun at the game, and that's what we're going to be. This is going to be fun. Hockey sometimes can be forgotten and, as a group, that's one thing that we're going to be good people in hockey and we're going to have a lot of fun doing it because I think you can win that way.

Question: Update on Vinny Lecavalier? You met with him yesterday.

OK: We had lunch with Vinny yesterday. Everything's fine. We're not allowed, before July 1, to say anything. It's a League rule, but everything's fine. We came down two weeks ago, spent a dinner and a breakfast with him, lunch with him yesterday.

LB: Vinny bought lunch yesterday, we'll leave it at that. Might be a good sign.

OK: By the way, health-wise, he looks great. He looks great, he's got full range of motion, he's ... numbers-wise, two or three weeks ahead of where's he supposed to be on range of motion. He's great, and he's really excited.

LB: For both Oren and I, Vinny's a big reason we're investing in this franchise. I really look at his career in the pattern of Steve Yzerman and you know, the next 10 years, he's going to give our organization a chance to really win a Stanley Cup and to be able to build around him and the pieces that are here, it's exciting. I know it's 30th place and we're coming in and really going to think it's going to be easy to win, we know it's not. You need a lot of luck and a lot of things to fall in place to win a Stanley Cup, but we're going to compete, I'll guarantee that.

Question: You mentioned Jay Feaster, is he going to stay in his same position?

LB: Yeah, we're evaluating every ... once we've gotten through it, and we just said honestly, it was the first day of hockey operations and I said to him, 'This was finally fun, to meet with the guys and talk hockey.'

OK: It was Jay and Claude [Loiselle] and our two pro scouts, and what we were doing was evaluating the, and putting in order our free agent ... They've never really been active. The pro scouts and Jay and Claude, they were unbelievably excited, like, 'He's X? Well we're going for it. He's Y? We're going for it.' So for them, they've never had that opportunity before. They really never had. So for them, they were excited. They were really excited at how aggressive we were on Prospal. He's a guy that's averaged 70 points a year for three years in a row, plays incredibly well with Vinny [Lecavalier] and Marty [St. Louis] and so, to put him on a four-year deal, they were really excited and shown commitment from ownership to start building this thing the way they want it. They were excited, we had great meetings and it was finally fun.

Question: What sort of office organizational changes do you envision?

OK: Right now, none. We're going to start walking slowly through it, start evaluating. We're going to meet the staff tomorrow and start just talking. I mean everything, listen. 10th in the League in attendance. It's one of the most beautiful barns, I mean, especially some of the press, you go to different arenas, this is one of the most impressive arenas.

LB: There's not a whole bunch to change here. I think we're going to come in and evaluate and do things. One of the scouts said, 'These guys don't sit still and they do everything fast,' and that's partly true, but on the other hand, this isn't something that's broke. It doesn't need an overhauling, it just needs some enthusiasm and some tweaking and we're buying a very good asset here and that's part of the reason we're able to sit here. If it was broke, we probably wouldn't be buying it, and we're excited about it.

OK: We'll be here. When there's a sponsor meeting, if there's a season ticket holder meeting, if there's, you know, suites, we'll be there. I mean, that's a big difference. Mr. Davidson is an incredible owner and he's won a Stanley Cup, he's won an NBA title, but

...

LB: We lose five in a row, we might not be there, but ... *[laughs]*

OK: No, we'll there. We'll be front and center.

Question: How do you envision using the acreage that came with this deal?

LB: That was one of the, I called it the wild card of this deal, when Oren and I first talked, and with my background now in real estate, you know, over the next six months we're really going to do a planning process, a feasibility study on what works, meet with the city. We've got some exciting ideas and we've been really working on those. It'll be something very exciting, you know, everyone knows in the US right now that real estate's a bit of a struggle, but everything's a cycle and we're not in any hurry. If it takes three to five years, or four to seven to get something going on that, or two to four, that'll be really market driven and what plan we come up with. But I'll tell you, it's going to be exciting, it really intrigues me.

OK: It's also in cooperation with the city. We're really going to sit with the city and see how we can do something together.

Question: Oren, obviously there's been a lot of conjecture put out on what kind of owner you will be, considering you've never owned a team before. There's a lot of opinions. What kind of ownership do you admire or what sports teams have you watched over the years?

OK: I look at like, what, say the California Angels, Artie Moreno. Artie Moreno took a team, bought it from a corporation. I don't want to quote the numbers, but I think he's almost doubled their attendance. They've done an incredible job and I'm going to kind of steal from him a little bit, but his two real points that he makes is that he wants to be accessible and accountable. He's not the GM, he's not the coach, he's unbelievably accessible to the fans, to the sponsors, to his staff and also to players. That's how we want to be. We want to be very accessible to the fans, to our management. We didn't buy this as an investment to never be part of it. We're absolutely going to be part of it, but we have to rely on our employees.

LB: I think he's going to be watching the *Hot Stove* in Canada, *Hockey Night in Canada*. Mark Cuban, they've got it all figured out. So, it should be entertaining. I phoned him up and told him that, he had a good laugh. So, I think both of us ...

OK: I can't dance, though.

LB: ...No, he can't dance.

OK: I can't do the show.

LB: I saw that the other night, in Ottawa, that was bad.

OK: My mom and dad are here!

LB: Oh, sorry. He was home early, though ... oh yeah right! We're going to be a fun ownership, we're going to enjoy this, this is why we got involved. We're not just going to be owners to just sit in the box and drink wine. We will do that, at times, I'm sure *[laughs]*, but we're going to be owner-operators. We're going to be involved in the day-to-day decisions, and that's what's fun about being hockey. I know that we're going to be passionate, and you see the teams that are successful and that's one other thing that really intrigues myself about our group and the dynamics of the ownership group, is there's guys who have a lot of business sense and there's guys who know stuff about hockey, too, and you don't see that a lot in the pro sports level, where you have a dynamic of knowing. Sometimes it's scary, you might know a little bit about nothing, or something about nothing, but you've got to watch what you're doing and be accountable to each other and be able to not think you know everything. That's why it's good to have someone to really bounce stuff off, and it's going to be exciting. It really intrigues me, because you know business and you know hockey, and having guys around to go back and forth on should be interesting.

Question: Oren, can you talk specifically about payroll? Do you have a number in mind, a budget?

OK: We don't. You know, it's interesting, because ... and I can't say a player's name, but say you want to get a player, and you're down to two teams, and he's \$6 million a year. Well, if you don't get him, do you just go and spend \$6 million on another guy, if he's not someone you think fits in? We're going to be really aggressive ... we'll be shockingly aggressive.

LB: And we do have a budget, because that's the first time in my life I've been on one, so it's not that much fun. We've got a couple ... you look at your team and you could say if we could get that guy for one or two more million dollars, to be that much better? We'll spend it. I might have to go back and work a little harder, but we'll definitely spend it.

OK: And the one thing ... we're not going to let the kid *[Stamkos]* be out there by himself. You guys can read into that what you want, but he will not be out there by himself. We've got Vinny and Marty and Vinny together now, they're happy.

LB: We've got a lot of depth. You've got Halpern, who came in and played really well at the deadline, and Jokinen and these guys, I think that was ...

OK: Ouellet.

LB: Ouellet played great there coming on. Signing Artyukhin back from ... everybody that I talked to about Artyukhin's like, 'Oh yeah, he'll definitely be getting circled on the board before the game.' He'll make you pay attention, he'll be fun to watch. Vinny called him a bit of a freak of nature, you know, 6'5" and he's the fastest guy. I think he's 240 or 250 ...

OK: 254.

LB: So, we've got some pieces and if we can add, too, at July 1st, or maybe before via trade, I think it'll be exciting. We'll be active. We were disappointed we couldn't make a trade at the draft, we tried.

OK: But we were the first team to do ... talking about Philadelphia last year that went to the Conference Finals from last place, we kind of looked at their model, and one of the things they did was take advantage of free agency by signing, by trading draft picks early to kind of take the guesswork out of free agency, and that's what we did with Prospal. We started talking to Philadelphia the day after the playoffs and cut a deal with them so we can have access to Vinny and sit down and talk to him and his agent. We're very aggressive. A couple people are starting to do that now, but we were the first ones this season to make a deal before anyone. We made the first deal.